GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2244
ANSWERED ON:10.03.2016
Credit Facility to Private Airlines
Kodikunnil Shri Suresh

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Airports Authority of India (AAI) provides credit facility to the private airlines to undertake their operations at the airports, if so,
the details of credit facilities provided during the last three years and the current year, airlines-wise;

(b) whether any interest is charged for the credit thus provided, if so, thedetails thereof; and

(c) the amount outstanding against these airlines to AAI, airlines-wise on this account and the steps taken to recover the same?

Answer

Minister of State in the Ministry of CIVIL AVIATION
(Dr Mahesh Sharma)

(a): Yes, Madam. Airports Authority of India (AAI) extends credit facility to airlines on submission of security deposit equivalent to two months" airport charges. AAI has provided credit facility to the following airlines during last three years and the current year:

(i) Go airlines, (ii) Indigo Airlines (iii) Jet Airways (iv) Jet Lite (India) (v)
Spicejet (vi) Air Costa Airlines (vii) Air Asia (India) (viii) Air Pegasus (ix)
Air Vistara

(b) & (c) : No, Madam. Interest @ 12% p.a. is charged only on delayed payment by airlines beyond the credit period. The details of the outstanding dues are as under:

Customer Name 31.12.2015 (Prov) (Rs.In crores)
Go Airlines 50.89
Indigo Airlines 34.81
Jet Airways 41.66
Jet Lite (India) 6.23
Spicejet 78.87
Air Costa Airlines 3.31
Air Asia (India) 3.18
Air Pegasus 0.89
Air Vistara 0.32
Grand Total 220.16

AAI takes following action to recover the outstanding dues:

(i) The dues are monitored on regular basis (ii) In case of delay, AAI issues notice to the airlines to settle the dues (iii) Penal interest is charged on account of delay in settlement of bills (iv) In case, where delay persists, besides encashing the security deposit, the defaulting airline is put on "Cash and Carry" basis (v) Legal course of action is followed in case over dues persists.